



**City of Seattle**  
Office of Economic Development

**Seattle Economic Development Commission – Second Meeting**

*Thursday, June 6, 2013 – Noon to 2:00pm*

Host: Russell Investments – 1301 Second Avenue, Everest Room, Floor 18

Commissioners Present: Rob Mohn, Ken Willman, Sarah Patterson, David Freiboth, Brad Tong, Michael Young, Alan Nay, Chris DeVore, Chris Rivera, Paul Killpatrick (representing Jill Wakefield), Michael Rawding, Mike Merritt (representing Tay Yoshitani), and Maud Daudon.

Staff and Guests: Steve Johnson, Brian Surratt, Danielle Hursh, Evan Shafer, Office of Economic Development; Michele Scoleri, Mayor's Office; Amy Balliett, Killer Infographics; Randy Hodgins, University of Washington; David Yeaworth, Council President Clark's Office.

Facilitator: Claudia Bach, AdvisArts.

**Welcome** – Chris DeVore, Chair, welcomed the Commissioners to the second EDC meeting and thanked Ken Willman and Russell Investments for hosting the meeting. An important outcome for meeting was to sharpen the EDC's focus from a vision statement to a meaningful framework.

**Purpose and Meeting Overview** – Steve Johnson reiterated the primary purpose of the meeting was moving from vision statement to a framework to organize and prioritize the action areas and items where the EDC will ultimately decide to exert its influence over the next few years. He reminded Commissioners that we expect to regularly return to fine tune the vision and framework as the thinking of the group matures.

**Presentation: “Collaboration is the New Competition” by Arthur Burris, Director, Policy and Special Initiatives, Living Cities**

To be successful in the global economy and to be a successful thriving city, collaboration is key. Based on Living Cities' research, five key aspects of effective collaboration at a high level in a city setting were presented:

1. Clear definition of the mission of the group and the results you are trying to achieve
  - Need clear agreement at outset on what you are trying to achieve
  - What are we trying to accomplish that we cannot achieve individually?
2. What data will be used to track results
  - How are you going to measure the outcome?
  - Where are you going to get the data from?
  - Evaluate success of strategies and adjust as needed along the way.

Strive Cincinnati is an example: the group adopted seven indicators and identified specific data elements to track outcomes, measure their progress, and hold each other accountable/catalyst for results.

3. Right set of stakeholders are involved, representing a diverse group



**City of Seattle**

Office of Economic Development

- Challenge is that everyone thinks a problem is exclusively someone else's problem (i.e. its government's problem, or a non-profit's, not a collective problem). Many problems are complex and need a diverse cross sector of leaders to produce change.
- You have assembled this diverse group in Seattle
- We may find that there are other sectors or other groups that we need to include as we move forward.

4. The dangers of parochial thinking

- There is a danger of reverting to the parochial thinking for each institution.
- You cannot ignore those individual goals, they bring strength to the collaboration, but some transcendence of parochial thinking is required.
- The more senior the people are who are involved in the group; the more likely they are to see the bigger picture – the complete playing field and the limitations of their individual institutions.
- Adaptive leadership – distinguishing from technical problems vs. adaptive problems, where there isn't a clear solution or a clear decision maker.

5. Staffing the work of the collaborative group

- Senior leaders participating in the group are important, and
- Backbone staffing is essential to move the collective work forward, action items are followed up on, etc.
- OED is playing the staffing backbone role here in Seattle. Recognize that strength and utilize it to move forward with the Commission's goals.

Open source the work that you are doing. Traditionally commissions do all the work, write a report and tell people how you did. This work is better when you share along the way – what you are learning? What are your hunches? What are you trying? The environment of shared information leads to better collaboration.

Living Cities cited these examples of strong collaboration:

Denver- focus on taking advantage of new transit infrastructure to be a globally competitive city and also connect people

Detroit – How do they deal with the fact that they have enormous amount of vacant land? Within Detroit there are 49 square miles of vacant land, how do you redensify part of the city? Utilizing light rail line – with several employers and cultural institutions – to redensify downtown Detroit.

Pittsburg – set about remaking economy from declining industries like steel to remaking it with education, health care, etc. for the 21<sup>st</sup> century. The group is uniting around a galvanizing vision to bring about change.

Atlanta – transit project; got the buy off from surrounding areas, but wasn't able to get the voter support for funding. A cautionary tale.



## City of Seattle

### Office of Economic Development

Does it matter what order these five items are organized? – not necessarily. But it is critical to identify your objectives and desired results before looking at data. Data could form a feedback loop on results, i.e. have we picked the right results to track if the data isn't readily available?

How do we know if we have identified the correct objectives? – How will we know if our aims are too small or too large? You have to ask yourself if you are tackling individual projects or seeking to change whole systems. There is an important but delicate balance that needs to be struck. One hand, you need visible “wins” that help gain support but your ultimate goal should be systems change. But if the goals are too lofty you will not be able to measure performance. You want to focus on initiatives and projects that impact systems and are measureable.

### **Economic Development Commission Vision Statement**

The Commission reviewed and discussed the draft vision statement. Good discussion centered on the continued need to support a diversified and resilient economy with a global orientation. Commissioners also wanted to the vision to include language that speaks to an “ecosystem” that nurtures innovation and collaboration and attracts talent. Commissioners directed Claudia and OED to revise the vision statement based on the following feedback:

- Economic diversity is an important part of a resilient economy,
- Stronger sense of Seattle's role in a global market place,
- Recognition that our education systems also operate in a competitive environment,
- Ownership of Seattle's importance to sustaining a healthy regional and state economy,
- Identification of other important economic sectors, such as finance, life sciences, and art and culture.

Steve Johnson commented that an important accomplishment of the Commission will be the extent to which its members can come together behind a shared vision for Seattle's economic future.

### **Moving Towards Action**

The Commission reviewed and discussed an infographic prepared as a tool for exploring a framework for strategic action, and identifying potential points of leverage for EDC recommendations. Discussion touched on overarching issues that influence how the EDC will choose to frame the Seattle economy as well as issues and concerns that can shape the Commission's work.

The focus on industry clusters may be too narrow with several challenging questions posed by Commissioners.

- Where is the world going?
- Where do we have an advantage?
- Can we keep looking ahead and be sure to make the “right” investments to stay competitive?
- We need to be flexible and open for future industries because we do not know the “next big thing.”
- We also must be careful that we support industries that support Seattle's middle-class, or else we will add considerable stress on limited public dollars to support underskilled and underemployed people.



**City of Seattle**

Office of Economic Development

- We have a genuine opportunity for Seattle to focus on the critical “foundational” elements (i.e. regulatory matters, infrastructure, talent development, etc.) that will support our current and emerging industries.

The group discussed the factors that attract business to Seattle, including whether the absence of an income tax was a determining factor for some companies to locate in Seattle. But the general opinion was that companies site here for a lot of reasons – not just tax laws or infrastructure. For some, it is the culture and spirit of Seattle, citing an anecdote relayed by Novo Nordisk. They located and expanded in Seattle because of a creative and supportive environment conducive to the applied research essential to their success. Need to continue supporting Seattle’s collaborative and creative culture. This example speaks to the need to create and support an environment that is supportive for economic development.

We must always focus on livability. There are things we can and should be doing to enhance livability. For example, the central waterfront project is not just an infrastructure project, but an investment in livability for Seattle.

Are there things the City can do that we have not traditionally done to support economic development? Where do we have critical mass that the City can play a role and support – Boeing example – aerospace is extremely important to the County and the State, but the City plays a much smaller role? The City is supportive, but wants to ensure we have a strong manufacturing sector that includes other subsectors in addition to aerospace. Can the City take a more proactive role in Olympia and across the state to drive economic development? Seattle could play a more prominent leadership role in the regional and state economic landscape.

### **Next Steps – Going Deeper**

What areas would be good to go deeper before the next meeting?

- What are the shared infrastructure or policy concerns across several sectors?
- Take a look at a specific sector and see if there are specific infrastructure challenges that are impeding growth.
- To the best of our knowledge today, what are some things we see on the horizon? What are our demographic, technology trends?
- What sectors are creating sustainable jobs vs. sectors that don’t pay enough to keep employees off of public assistance - invest in sectors that grow economic development rather than subsidizing with public assistance.

A number of Commissioners voiced their interest in helping to gather small groups of thought leaders to explore topics more deeply, including Chris DeVore, Paul Killpatrick (on behalf of Jill Wakefield), Mike Merritt (on behalf of Tay Yoshitani), Ken Willman, and Chris Rivera.

OED agreed to revise the framework for action based on this feedback and send out for comment. OED will also follow up with those who agreed to prepare for our next meeting by convening a group of industry and education leaders for feedback on the vision, framework for action, and most importantly, ideas for action led by the Commission.



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**Adjournment**

- Next Meeting is September 5<sup>th</sup>, hosted by the Port of Seattle.
- Thank you to Russell Investments for hosting us.